

REMARKS

Claims 1-20 are pending in the present application. Reconsideration of the claims is respectfully requested.

I. Rule 1.131 Affidavit

IA. Failure to Establish Diligence

The Final Office Action states:

The evidence submitted is insufficient to establish diligence from a date prior to the date of reduction to practice of the Al-Kazily reference to either a constructive reduction to practice or an actual reduction to practice. In the present case, the applicant's have not properly established diligence through sketches, notebook entries, ect. for the **entire** time from prior to the date of the Al-Kazily reference up to the date of reduction to practice. "An applicant must account for the entire period during which diligence is required." *Gould v. Schawlow*, 363 F.2d 908, 919, 150 USPQ 634, 643 (CCPA 1966). Statements that the subject matter "was diligently reduced to practice" is not a showing "but a mere pleading." *In re Harry*, 333 F.2d 920, 923, 142 USPQ 164, 166 (CCPA 1964). Diligence requires that Applicants must be specific as to the dates and facts. *Kendall v. Searles*, 173 F.2d 986, 993, 81 USPQ 363, 369 (CCPA 1949). Also see MPEP 2138.06.

Applicants respectfully submit two additional Exhibits that indicate Applicants' diligence from the presently claimed invention being conceived on or before February 5, 2001, up to the date of Application, July 25, 2001. Exhibit C is an IBM Disclosure for invention created on February 23, 2001. Exhibit C also indicates a time stamped submitted date of February 23, 2001. Exhibit D is a file listing for the Attorney Docket No. YOR920010348US1, which indicates a Word document, "return to IBM," that indicates an initial date, April 20, 2001, that the attorney started preparation of the Application disclosing the present invention. Exhibit D also indicates the Patent Application with a last modified date of July 25, 2001, which is the Filing Date of the present application.

MPEP 715.07 III states:

A conception of an invention, though evidenced by disclosure, drawings, and even a model, is not a complete invention under the patent laws, and confers no rights on an inventor, and has no effect on a subsequently granted patent to another, **UNLESS THE INVENTOR FOLLOWS IT WITH REASONABLE DILIGENCE BY SOME OTHER ACT**, such as an actual reduction to practice **or filing an application for a patent.** *Automatic Weighing Mach. Co. v. Pneumatic Scale Corp.*, 166 F.2d 288, 1909 C.D. 498, 139 O.G. 991 (1st Cir. 1909). [emphasis added]

In this case, upon conception, the inventors filed an invention disclosure on February 23, 2001. Subsequent to February 23, 2001, the invention disclosure was under review, and on April 20, 2001, outside counsel began preparation of the application disclosing and claiming aspects of the present invention. Between April 20, 2001, and the filing date of the application, the application was in the process of being prepared. The Examiner refers to MPEP 2138.06, which relates to reasonable diligence in interference proceedings. MPEP 2138.06 states:

The diligence of 35 U.S.C. 102(g) relates to reasonable "attorney-diligence" and "engineering-diligence" (*Keizer v. Bradley*, 270 F.2d 396, 397, 123 USPQ 215, 216 (CCPA 1959)), which does not require that "an inventor or his attorney . drop all other work and concentrate on the particular invention involved.." *Emery v. Ronden*, 188 USPQ 264, 268 (Bd. Pat. Inter. 1974).

Therefore, submission of the invention disclosure and filing of the application itself were acts of diligence. During review of the disclosure and preparation of the application, there was not a significant period of inactivity that would lead one to believe that diligence was lacking. Thus, Applicants submit that diligence is shown in the attached declarations and exhibits.

IB. Lacks NAFTA/WTO Allegation

Applicants respectfully submit newly signed 1.131 Declarations which contain a statement that the acts relied upon to establish the date prior to the reference or activity were carried out in the United States.

IC. Failure to Establish Conception

The Final Office Action states:

The evidence submitted is insufficient to establish a conception of the invention prior to the effective date of the PR Newswire reference. While conception is the mental part of the inventive act, it must be capable of proof, such as by demonstrative evidence or by complete disclosure to another. Conception is more than a vague idea of how to solve a problem. The requisite means themselves and their interaction must also be comprehended, See *Mergenthaler v. Scudder*, 1897 C.D. 724, 81 O.G. 1417 (D.D. Cir. 1897). In the present case, the applicants have not properly supported their conception of the invention through sketches, notebook entries, programming code, etc. In particular, the evidence submitted by the applicants fails to teach or render obvious the claimed limitation of automating a processing system to purchase the product or service from the vendor based on the one or more rules and the one or more attributes. The attachment to the disclosure while does not provide requisite means for accomplishing the task. The disclosure mentions under “claim-iness” that operational business decisions are made automatically based upon current market conditions, prior history and projected future conditions where decisions have to do with purchasing. However the means discussed prior only discusses a means for bundling and adjusting prices of the seller.

Applicants respectfully submit that the prior disclosure, Exhibit A, does indeed provide means for implementing the presently claimed invention. Exhibit A indicates that the method would be implemented over the Internet and over the Web. One of ordinary skill in the art would understand the present invention would be implemented in a Web based environment and would also be able to implement the present invention using the Internet. Thus, the means to automatically making a decision, in the data processing system, to purchase the product or service from a vendor based on the one or more rules and the one or more attributes are clearly described in previously disclosed Exhibit A.

II. 35 U.S.C. § 102, Alleged Anticipation, Claims 1-8, 19 and 20

The Office Action rejects claims 1-8, 19, and 20 under 35 U.S.C. § 102(e) as being allegedly anticipated by Al-Kazily (U.S. Publication No. 2002/0111874 A1). This rejection is respectfully traversed.

As evidenced by the attached declarations under 37 CFR § 1.131 and the accompanying exhibits of records, the present invention was invented prior to the effective date of the Al-Kazily reference. The disclosure, Exhibit A, is shown by Exhibit B as being last modified date of February 5, 2001. The disclosure details the invention recited in at least independent claim 1 was conceived before the effective date of the patent to Al-Kazily. 35 U.S.C. 102(e) reads as follows:

A person shall be entitled to a patent unless -

(e) the invention was described in - (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for the purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

The patent to Al-Kazily was not filed in the United States before **the invention by the applicant**. Al-Kazily also does not qualify as prior art under any other section of 35 U.S.C. 102 and, thus, does not constitute a statutory bar. Since the instant patent application was filed within six months from the date of the Invention Disclosure and the Invention Disclosure, as well as the application itself, were in a state of draft or review during those six months, diligence is clear. Therefore, Applicants respectfully request withdrawal of the rejection of claims 1-8, 19 and 20 based upon Al-Kazily.

III. 35 U.S.C. § 103, Alleged Obviousness, Claims 9-14 and 16-18

The Office Action rejects claims 9-14 and 16-18 under 35 U.S.C. § 103(a) as being allegedly unpatentable over Al-Kazily (U.S. Publication No. 2002/0111874 A1) in view of Kansal (U.S. Patent No. 6,647,374 B2). This rejection is respectfully traversed.

Claims 9-14 and 16-18 are dependent on independent claim 1 and, thus, these claims distinguish over the combination of Al-Kazily and Kansal for at least the reasons noted above with regard to claim 1. That is, the date of invention in the current

application predates the applied Al-Kazily reference. As such, the rejection is improper and should be withdrawn.

IV. 35 U.S.C. § 103, Alleged Obviousness, Claim 15

The Office Action rejects claim 15 under 35 U.S.C. § 103(a) as being allegedly unpatentable over Al-Kazily (U.S. Publication No. 2002/0111874 A1) in view of Kansal (U.S. Patent No. 6,647,374 B2) and further in view of Official Notice. This rejection is respectfully traversed.

Claim 15 is dependent on independent claim 1 and, thus, this claim distinguishes over the combination of Al-Kazily, Kansal and the Official Notice for at least the reasons noted above with regard to claim 1. That is, the present application predates the applied Al-Kazily reference. As such, the rejection is improper and should be withdrawn. The Office Action rejects claims 1-8, 19 and 20 under 35 U.S.C. § 102(e) as being allegedly anticipated by Al-Kazily (U.S. Publication No. 2002/0111874 A1). This rejection is respectfully traversed.

V. Conclusion

It is respectfully urged that the subject application is patentable over the prior art of record and is now in condition for allowance. The Examiner is invited to call the undersigned at the below-listed telephone number if in the opinion of the Examiner such a telephone conference would expedite or aid the prosecution and examination of this application.

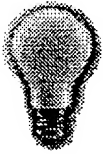
Respectfully submitted,

DATE: May 11, 2005

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Exhibit C



Disclosure YOR8-2001-0247

Prepared for and/or by an IBM Attorney - IBM Confidential

Created By: James E Hanson Created On: 02/23/2001 04:09:51 PM

Last Modified By: James E Hanson Last Modified On: 02/26/2001 10:17:53 AM

Required fields are marked with the asterisk (*) and must be filled in to complete the form .

*Title of disclosure (In English)

Method for Making Operational Purchasing Decisions Automatically

Summary

Status	Under Evaluation
Processing Location	YOR
Functional Area	900 Goyal-Systems & Software
Attorney/Patent Professional	Gail H Zarick/Watson/IBM
IDT Team	Gail H Zarick/Watson/IBM
Submitted Date	02/23/2001 04:17:32 PM EST
Owning Division	RES
Incentive Program	
Lab	
Technology Code	
PVT Score	No PVT score has been calculated. To calculate a PVT score, press the 'Calculate' button.

Inventors with Lotus Notes IDs

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Inventors without Lotus Notes IDs

IDT Selection

Select Functional Area

IDT Team: Gail H Zarick/Watson/IBM	Attorney/Patent Professional: Gail H Zarick/Watson/IBM
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Response Due to IP&L : 03/26/2001

***Main Idea**

1. Describe your invention, stating the problem solved (if appropriate), and indicating the advantages of using the invention.

This is a method of running a business in such a way that operational purchasing decisions, such as selection of vendors, negotiation and finalization of purchases, are made automatically, based on historical information, such as previous purchases made, observed patterns in prices, etc.

As online sellers become more dynamic, such as by updating posted prices more frequently or supporting more complex negotiations, it becomes increasingly important for a purchaser to be able to quickly take advantage of favorable opportunities (such as a sudden dip in prices) as quickly as they they arise. The purchaser that is able to reduce costs in this way may reap a corresponding competitive advantage over other firms that failed to react sufficiently quickly.

In this method, the people that run the firm set strategic policies for the purchases made by the firm. For example, they determine ranges of acceptable prices, the strategy for deciding when to commit to a purchase, how to select among competing sellers, etc. Automated algorithms then carry out the microsecond-by-microsecond operational decisions.

2. How does the invention solve the problem or achieve an advantage,(a description of "the invention", including figures inline as appropriate)?

By automating purchasing decisions, businesses gain an advantage over competitors by being able to react more quickly in an economic environment in which prices and other attributes of products available for purchase are both dynamic and rapidly varying.

3. If the same advantage or problem has been identified by others (inside/outside IBM), how have those others solved it and does your solution differ and why is it better?

We are not aware of this problem having been proposed or solved before.

4. If the invention is implemented in a product or prototype, include technical details, purpose, disclosure details to others and the date of that implementation.

The Magenta agent economy prototype in IBM Research embodies this notion in a very simple way. In it, software agents represent businesses, and engage other agents in business relationships, automatically deciding when, and from whome, to make purchases.

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Exhibit D

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YOR920010348US1 Declaration

YOR920010348US1 Inventor Order Authorization

YOR920010348US1 Taiwan Oath

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